## **Introduced by Senator Karnette**

February 22, 2002

An act to amend Sections 11550, 12800, 13975, 13976, 13978.2, 13978.4, 13978.6, 13979.1, and 13980 of, and to amend the heading of Part 4.5 (commencing with Section 13975) of Division 3 of Title 2 of, to add Part 4.7 (commencing with Section 13995) of Division 3 of Title 2 to, and to repeal Section 13983 of, the Government Code, relating to An act to amend Section 13975 of the Government Code, and to amend Sections 2100 and 2109 of the Vehicle Code, relating to state government.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1996, as amended, Karnette. Transportation, Motor Vehicles, and Public Safety Agency California Highway Patrol.

Existing law creates the Business, Transportation and Housing Agency, headed by the Secretary of Business, Transportation and Housing, which oversees the Department of Alcoholic Beverage Control, the Department of the California Highway Patrol, the Department of Corporations, the Department of Housing and Community Development, the Department of Motor Vehicles, the Department of Real Estate, the Department of Transportation, the Department of Financial Institutions, the Department of Managed Health Care, the Stephen P. Teale Consolidated Data Center, and the California Housing Finance Agency various agencies, including the Department of the California Highway Patrol.

This bill, as of July 1, 2003, would transfer the Department of the California Highway Patrol, the Department of Motor Vehicles, the

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Department of Transportation, and the Office of Traffic Safety to a newly created Transportation, Motor Vehicles, and Public Safety Agency headed by the Secretary of Transportation, Motor Vehicles, and Public Safety. The bill also would rename the Business, Transportation, and Housing Agency as the Business and Housing Agency. The bill would make various conforming changes would instead provide for the Department of the California Highway Patrol to be located within the Office of the Governor and would make other conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 11550 of the Government Code is
- 2 SECTION 1. Section 13975 of the Government Code is 3 amended to read:
- 4 13975. The Business and Transportation Agency in state
- 5 government is hereby renamed the Business, Transportation and
- 6 Housing Agency. The agency consists of the Department of
- 7 Alcoholic Beverage Control, the Department of the California
- 8 Highway Patrol, the Department of Corporations, the Department
- 9 of Housing and Community Development, the Department of
- 10 Motor Vehicles, the Department of Real Estate, the Department of
- 11 Transportation, the Department of Financial Institutions, the
- 12 Department of Managed Health Care, the Stephen P. Teale
- 13 Consolidated Data Center; and the California Housing Finance
- 14 Agency is also located within the Business, Transportation and
- 15 Housing Agency, as specified in Division 31 (commencing with
- 16 Section 50000) of the Health and Safety Code.
- 17 SEC. 2. Section 2100 of the Vehicle Code is amended to read:
- 18 2100. There is in the Business, Transportation and Housing
- 19 Agency Office of the Governor the Department of the California
- 20 Highway Patrol.
- 21 SEC. 3. Section 2109 of the Vehicle Code is amended to read:
- 22 2109. The commissioner shall organize the department with
- 23 the approval of the Governor and the Secretary of the Business,
- 24 Transportation and Housing Agency and may arrange and classify
- 25 the work of the department and may, with the approval of the
- 26 Governor and the Secretary of the Business, Transportation and
- 27 Housing Agency, create or abolish divisions thereof.

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amended to read: 1

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11550. Effective January 1, 1988, an annual salary of 2 ninety-one thousand fifty-four dollars (\$91,054) shall be paid to 3 each of the following: 4

- (a) Director of Finance.
- (b) Secretary of Business and Housing Agency.
- 7 (c) Secretary of Resources Agency.
- 8 (d) Secretary of Health and Welfare Agency.
  - (e) Secretary of State and Consumer Services Agency.
- 10 (f) Director of Industrial Relations.
- 11 (g) Commissioner of the California Highway Patrol.
- (h) Secretary of Youth and Adult Correctional Agency. 12
- 13 (i) Secretary of Food and Agriculture.
  - (j) Secretary of Trade and Commerce Agency.
- (k) Secretary of Veterans Affairs. 15
  - (1) Secretary of Transportation, Motor Vehicles, and Public Safety Agency.

The annual compensation provided by this section shall be increased in any fiscal year in which a general salary increase is provided for state employees. The amount of the increase provided by this section shall be comparable to, but shall not exceed, the percentage of the general salary increases provided for state employees during that fiscal year.

SEC. 2. Section 12800 of the Government Code is amended to read:

12800. There are in the state government the following agencies: State and Consumer Services; Business and Housing; California Environmental Protection; California Health and Human Services; Resources; Trade and Commerce; 30 Transportation, Motor Vehicles, and Public Safety; and Youth and Adult Correctional.

Whenever the term "Agriculture and Services Agency" appears in any law, it means the "State and Consumer Services Agency," and whenever the term "Secretary of Agriculture and 35 Services Agency" appears in any law, it means the "Secretary of 36 State and Consumer Services Agency."

Whenever the term "Business and Transportation Agency" or "Business, Transportation and Housing Agency" appears in any law, it means the "Business and Housing Agency" in the context of business and housing matters and the "Transportation, Motor

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Vehicles, and Public Safety Agency" in the context of transportation, motor vehicle, and public safety matters, and whenever the term "Secretary of the Business and Transportation Agency" or "Secretary of the Business, Transportation and Housing Agency" appears in any law, it means the "Secretary of the Business and Housing Agency" in the context of business and housing matters and the "Secretary of Transportation, Motor Vehicles, and Public Safety" in the context of transportation, motor vehicle, and public safety matters.

Whenever the term "Health and Welfare Agency" appears in any law, it means the "California Health and Human Services Agency," and whenever the term "Secretary of the Health and Welfare Agency" appears in any law, it means the "Secretary of the California Health and Human Services Agency."

SEC. 3. The heading of Part 4.5 (commencing with Section 13975) of Title 2 of the Government Code is amended to read:

PART 4.5. BUSINESS AND HOUSING AGENCY

SEC. 4. Section 13975 of the Government Code is amended to read:

13975. The Business, Transportation and Housing Agency in state government is hereby renamed the Business and Housing Agency. The agency consists of the Department of Alcoholic Beverage Control, the Department of Corporations, the Department of Housing and Community Development, the Department of Real Estate, the Department of Financial Institutions, the Department of Managed Health Care, and the Stephen P. Teale Consolidated Data Center; and the California Housing Finance Agency is also located within the Business, Transportation and Housing Agency, as specified in Division 31 (commencing with Section 50000) of the Health and Safety Code. The Department of the California Highway Patrol, the Department of Motor Vehicles, the Department of Transportation, and the Office of Traffic Safety, which were within the Business, Transportation and Housing Agency prior to July 1, 2003, shall be within the Transportation, Motor Vehicles, and Public Safety Agency created pursuant to Part 4.7 (commencing with Section 13995) on and after that date.

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SEC. 5. Section 13976 of the Government Code is amended to read:

 13976. The agency is under the supervision of an executive officer known as the Secretary of the Business and Housing Agency. He or she shall be appointed by the Governor, subject to confirmation by the Senate, and shall hold office at the pleasure of the Governor.

The annual salary of the secretary is provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2.

As used in this part, "agency" and "secretary" refer to the Business and Housing Agency and the Secretary of the Business and Housing Agency, respectively, unless the context otherwise requires.

SEC. 6. Section 13978.2 of the Government Code is amended to read:

13978.2. The Secretary of the Business and Housing Agency shall advise the Governor on, and assist the Governor in establishing, major policy and program matters affecting each department, office, or other unit within the agency, and shall serve as the principal communication link for the effective transmission of policy problems and decisions between the Governor and each department, office, or other unit.

SEC. 7. Section 13978.4 of the Government Code is amended to read:

13978.4. The Secretary of the Business and Housing Agency shall exercise the authority vested in the Governor in respect to the functions of each department, office, or other unit within the agency, including the adjudication of conflicts between or among the departments, offices, or other units; and shall represent the Governor in coordinating the activities of each department, office, or other unit with those of other agencies, federal, state, or local.

SEC. 8. Section 13978.6 of the Government Code is amended to read:

13978.6. (a) The Secretary of the Business and Housing Agency shall be generally responsible for the sound fiscal management of each department, office, or other unit within the agency. The secretary shall review and approve the proposed budget of each department, office, or other unit. The secretary shall hold the head of each such department, office, or other unit

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responsible for management control over the administrative, fiscal, and program performance of his or her department, office, or other unit. The secretary shall review the operations and evaluate the performance at appropriate intervals of each department, office, or other unit, and shall seek continually to improve the organization structure, the operating policies, and the management information systems of each department, office, or other unit.

(b) There is in the Business and Housing Agency a Department of Corporations, which has the responsibility for administering various laws. In order to effectively support the Department of Corporations in the administration of these laws, there is hereby established the State Corporations Fund. All expenses and salaries of the Department of Corporations shall be paid out of the State Corporations Fund. Therefore, notwithstanding any provision of any law administered by the Department of Corporations declaring that fees, reimbursements, assessments, or other money or amounts charged and collected by the Department of Corporations under these laws are to be delivered or transmitted to the Treasurer and deposited to the credit of the General Fund, on and after July 1, 1992, all fees, reimbursements, assessments, and other money or amounts charged and collected under these laws and attributable to the 1992-93 fiscal year and subsequent fiscal years shall be delivered or transmitted to the Treasurer and deposited to the credit of the State Corporations Fund.

SEC. 9. Section 13979.1 of the Government Code is amended to read:

13979.1. With respect to coordinated planning and policy formulation in housing policies, the secretary shall be responsible for resolving significant policy conflicts among state, local, and federal housing plans and programs which impede effective implementation of state housing policy.

SEC. 10. Section 13980 of the Government Code is amended to read:

13980. For the purpose of administration, the secretary shall review the organization of the agency and report to the Governor on any changes he or she deems necessary properly to segregate and conduct the work of the agency.

SEC. 11. Section 13983 of the Government Code is repealed.

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SEC. 12. Part 4.7 (commencing with Section 13995) is added to Division 3 of Title 2 of the Government Code, to read:

## PART 4.7. TRANSPORTATION, MOTOR VEHICLES, AND PUBLIC SAFETY AGENCY

## CHAPTER 1. GENERAL DUTIES AND POWERS

 13995. There is, in state government, the Transportation, Motor Vehicles, and Public Safety Agency. The agency consists of the Department of the California Highway Patrol, the Department of Motor Vehicles, the Department of Transportation, and the Office of Traffic Safety.

13995.1. The agency is under the supervision of an executive officer known as the Secretary of the Transportation, Motor Vehicles, and Public Safety Agency. He or she shall be appointed by the Governor, subject to confirmation by the Senate, and shall hold office at the pleasure of the Governor.

The annual salary of the secretary is provided for by Chapter 6 (commencing with Section 11550) of Part 1 of Division 3 of Title 2.

As used in this part, "agency" and "secretary" refer to the Transportation, Motor Vehicles, and Public Safety Agency and the Secretary of the Transportation, Motor Vehicles, and Public Safety Agency, respectively, unless the context otherwise requires.

13995.2. Before entering upon the duties of his or her office the secretary shall execute an official bond to the state in the penal sum of fifty thousand dollars (\$50,000) conditioned upon the faithful performance of his or her duties.

13995.3. The secretary has the power of general supervision over, and is directly responsible to the Governor for, the operations of each department, office, and unit within the agency. The secretary may issue orders as the secretary deems appropriate to exercise any power or jurisdiction, or to assume or discharge any responsibility, or to carry out or effect any of the purposes vested by law in any department in the agency.

13995.4. The secretary shall advise the Governor on, and assist the Governor in establishing, major policy and program matters affecting each department, office, or other unit within the agency, and shall serve as the principal communication link for the

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effective transmission of policy problems and decisions between the Governor and each department, office, or other unit.

13995.5. The secretary shall exercise the authority vested in the Governor in respect to the functions of each department, office, or other unit within the agency, including the adjudication of conflicts between or among the departments, offices, or other units; and shall represent the Governor in coordinating the activities of each department, office, or other unit with those of other agencies, federal, state, or local.

13995.6. The secretary shall be generally responsible for the sound fiscal management of each department, office, or other unit within the agency. The secretary shall review and approve the proposed budget of each department, office, or other unit. The secretary shall hold the head of each such department, office, or other unit responsible for management control over the administrative, fiscal, and program performance of his or her department, office, or other unit. The secretary shall review the operations and evaluate the performance at appropriate intervals of each department, office, or other unit, and shall seek continually to improve the organization structure, the operating policies, and the management information systems of each department, office, or other unit.

13995.7. The secretary shall develop and report to the Governor on legislative, budgetary, and administrative programs to accomplish comprehensive, long-range, coordinated planning and policy formulation in the matters of public interest related to the agency. To accomplish this end, the secretary may hold public hearings, consult with and use the services and cooperation of other state agencies, employ staff and consultants, and appoint advisory and technical committees to assist in the work.

13995.8. With respect to coordinated planning and policy formulation in transportation policies, the secretary shall be responsible for resolving significant policy conflicts among state, local, and federal transportation plans and programs that impede effective implementation of state transportation policy.

13995.9. For the purpose of administration, the secretary shall review the organization of the agency and report to the Governor on any changes he or she deems necessary properly to segregate and conduct the work of the agency.

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13995.10. The secretary and any other officer or employee 2 within the agency designated in writing by the secretary shall have 3 the power of a head of a department pursuant to Article 2 4 (commencing with Section 11180) of Chapter 2 of Part 1 of 5 Division 3 of Title 2.

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13995.11. Whenever a power is granted to the secretary, the power may be exercised by an officer or employee within the agency designated in writing by the secretary.

13995.12. The secretary shall conduct a program relating to 9 10 the medical aspects of traffic injury and accident control.

SEC. 13. This act shall become operative on July 1, 2003.